

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION

DAVID WILLIAM WOOD,)	
)	
)	
Plaintiff,)	
)	
vs.)	CASE NO.: 3:15-cv-594
)	
EQUIFAX INFORMATION SERVICES,)	
LLC, Et al.)	
)	
)	
Defendants.)	
_____)	

VIDEOTAPED DEPOSITION OF
PERSON MOST KNOWLEDGABLE OF CREDIT ONE BANK,
JENNIFER SCHMIDT
LAS VEGAS, NEVADA
WEDNESDAY, MAY 11, 2016
1:52 p.m. - 3:21 p.m.

REPORTED BY: JOHANNA VORCE, CCR NO. 913

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1	anything -- if you had done something else other than	14:46:29
2	verified the name, the Social Security number and the -- I'm	
3	sorry -- the name, the Social Security number and the	
4	address? Would it show on this document what else you did?	
5	A. It would not.	14:46:48
6	Q. Okay. How did you determine that the date of	14:46:51
7	birth was different?	
8	A. One of our systems that we use.	14:47:09
9	Q. What system shows you the date of birth?	14:47:13
10	A. I believe CAPS.	14:47:22
11	Q. And if there's a different date of birth, why	14:47:40
12	didn't that cause you to be concerned that there might be	
13	fraud on this account?	
14	MR. SEARS: Objection as to form.	14:47:49
15	BY MS. ROTKIS:	14:48:06
16	Q. Okay. I'll withdraw the question.	14:48:06
17	And under what circumstances would a different	14:48:09
18	date of birth cause you to further investigate a dispute of	
19	true identity fraud?	
20	MR. SEARS: I object as to form on that one as	14:48:24
21	well.	
22	BY MS. ROTKIS:	14:48:41
23	Q. You may answer.	14:48:41
24	A. Verifying other information that the cardholder	14:48:51
25	has provided as well is the same as what we have in our	

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1 system.

2 Q. Going down to, on page 57, account information,
3 the CCC, the compliance condition code, why did you put
4 "XH"?

14:49:13

5 A. Because there was an investigation done.

14:49:35

6 Q. Were you aware that the cardholder had previously
7 disputed this account when you conducted this investigation?

14:49:45

8 A. I believe so.

14:49:55

9 Q. Why did you use "XH" instead of "XB"?

14:49:59

10 A. Because the account was not under investigation
11 when I submitted this.

14:50:18

12 Q. Okay. Do you know what "XB" means?

14:50:25

13 A. Account under investigation, I believe.

14:50:34

14 Q. Okay. Going down to -- a couple down below the
15 compliance condition code, there's something that says
16 "interest-type indicator." Do you know what that is?

14:50:38

17 A. I do not.

14:50:53

18 Q. It shows that you input some codes here --

14:50:57

19 MR. SEARS: Objection.

14:51:02

20 BY MS. ROTKIS:

14:51:02

21 Q. -- over in the response data.

14:51:03

22 Well, okay, strike that.

14:51:08

23 MR. SEARS: Yeah.

14:51:11

24 BY MS. ROTKIS:

14:51:11

25 Q. It shows some codes input into the response data

14:51:11

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1	field. Do you know what that means?	14:51:11
2	A. I do not.	14:51:23
3	Q. Have you ever seen those codes before?	14:51:24
4	A. No.	14:51:27
5	Q. Who else besides you, the ACDV operator that	14:51:32
6	signed this ACDV, could have input a response into that data	
7	field?	
8	MR. SEARS: Objection as to form.	14:51:49
9	THE WITNESS: Nobody but me. I can't tell you if	14:51:51
10	that is auto filled after I input the items and submit the	
11	ACDV.	
12	BY MS. ROTKIS:	14:52:06
13	Q. Okay. If you would please go over to tab 4. And	14:52:06
14	that's Bates Nos. 59 through 65. And if you would look	
15	through this -- did you look through it already? And	
16	just -- after you finish paging through it, just let me know	
17	when you're ready.	
18	A. Okay.	14:53:24
19	Q. Do you recognize this document?	14:53:28
20	A. They are notes out of our CAS system.	14:53:31
21	THE COURT REPORTER: CAS system?	14:53:34
22	THE WITNESS: Um-hmm.	14:53:34
23	BY MS. ROTKIS:	14:53:34
24	Q. Have you ever seen this before?	14:53:38
25	A. Yes.	14:53:40

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1	Q.	When did you see this?	14:53:42
2	A.	I look at the system on a daily basis.	14:53:46
3	Q.	Oh, okay. So -- but this particular account	14:53:51
4		history for David Wood -- have you seen this particular	
5		account history for David Wood before?	
6	A.	When I posted the -- or when I did the	14:54:12
7		investigation, yes.	
8	Q.	Okay. Can you tell me the page number -- and when	14:54:17
9		I say "page number," I'm just talking about the -- the last	
10		two digits of the page number. Could you tell me the page	
11		number where you made the entry, where you did the	
12		investigation?	
13	A.	On page 59.	14:54:34
14	Q.	Okay. And do you have your agent number?	14:54:35
15	A.	It's 31-22-34-334.	14:54:41
16	Q.	Okay. And so -- all right. So on 6/15/15,	14:54:47
17		there's an entry at 12:40 p.m. Is that the one you're	
18		referring to?	
19	A.	Yes.	14:55:02
20	Q.	Okay. And could you just take me through the	14:55:02
21		notes that you entered about the investigation that you	
22		conducted?	
23	A.	It's saying I received an ACDV claiming true	14:55:13
24		identity theft. "The cardholder claims ID theft. Address,	
25		the same. Account was previously investigated on 6/10/15.	

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1 Cardholder found" -- "previously found responsible. No
2 further action taken."

3 Q. Okay. And you received this ACDV from Equifax,
4 right?

14:55:36

5 A. Yes.

14:55:42

6 Q. And what is "DC"? It says "EQDC." Do you know
7 what that is?

14:55:42

8 A. Description -- "E"-- -- "EQ" is Equifax. "DC" is
9 the dispute code.

14:55:47

10 Q. Oh, okay. Right. Right. All right. And so
11 would you have -- all right. So it shows the -- that you
12 investigated the address. The address is the same; is that
13 correct?

14:56:03

14 A. Yes.

14:56:12

15 Q. Okay. And did you do any other investigation
16 related to this ACDV?

14:56:13

17 A. I did not.

14:56:22

18 Q. Okay. And if an account has previously been
19 investigated and the -- and the cardholder is found
20 responsible, what does that mean to you?

14:56:22

21 MR. SEARS: Objection as to form.

14:56:36

22 THE WITNESS: That the prior agent that
23 investigated this further -- with further information in the
24 previous 30 days was already found responsible for this
25 account.

14:57:00

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1 BY MS. ROTKIS:

14:57:28

2 Q. And -- and so I'm just curious. Does that mean
3 that -- I mean, do you take that to be kind of like "that
4 investigation was already done. I don't need to redo that.
5 What -- I don't need to go any further"?

14:57:29

6 What does that mean as far as the investigation
7 actions that you would take?

14:57:36

8 A. If the account was previously found responsible in
9 the prior 30 days for the same reason, we do no further
10 investigation. The ACDV is to be responded to --

14:57:56

11 Q. Do you ever call consumers when they -- oh, sorry.

14:58:18

12 A. -- verifying all information that's still in our
13 systems as well as provided by the cardholder on the ACDV
14 itself.

14:58:22

15 Q. Okay. Do you ever call a cardholder that claims
16 true identity theft?

14:58:30

17 A. We do not.

14:58:36

18 Q. Going now to tab 5. If you would take a few
19 minutes to look at that document.

14:58:43

20 Is this a document that you recognize?

14:59:53

21 A. Offhand, no.

15:00:17

22 Q. Okay. Turn to tab 9A, please. And this is -- I'm
23 sorry.

15:00:21

24 And for the court reporter, tab 5 is 317, Bates
25 317 through 323.

15:00:28

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1	And now, I just want to go to tab 9A.	15:00:35
2	Is this a document you recognize?	15:01:42
3	A. Yes.	15:01:43
4	Q. Okay. How do you recognize this document?	15:01:45
5	A. This is one of the training manuals.	15:01:52
6	Q. Okay. If you would go to page 392. So -- all	15:01:57
7	right. So tab 9A is Bates-marked 384 through 437 and I'm	
8	asking you to go to 392. I just want to direct your	
9	attention to the subheading that says "Fraud ACDV."	
10	Would you agree that what you've testified about	15:02:37
11	so far today is using the procedures outlined to verify all	
12	the information on the ACDV required?	
13	You may answer.	15:02:57
14	A. There were process changes after.	15:04:47
15	Q. There were process changes after what?	15:04:50
16	A. After this was written.	15:04:58
17	Q. Okay. What process change was implemented after	15:05:02
18	this was written? I'm listening.	
19	MR. SEARS: I -- answer if you -- if you know. If	15:06:11
20	you don't know, let her know.	
21	THE WITNESS: Offhand, I don't remember the exact	15:06:16
22	changes that were made.	
23	BY MS. ROTKIS:	15:06:20
24	Q. Okay. So on page 392, where it says you're	15:06:25
25	supposed to update the compliance condition code and the	

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1 fraud ACDV to XB, was that changed?

2 A. I believe so, yes.

15:06:39

3 Q. Okay. If you'll now go to tab B, page 445. If
4 you'll look where it talks about how to treat a fraud ACDV,
5 that subheading "Fraud ACDV." First, it deals with active
6 accounts in FDR.

15:06:42

7 What does this manual say you're supposed to do in
8 the compliance condition code as far as the compliance
9 condition? What -- what indicator are you supposed to put
10 in there?

15:07:31

11 A. For active accounts, "XB."

15:07:45

12 Q. Um-hmm. And what about for sold accounts? The
13 next subheading is "sold accounts."

15:07:48

14 A. For sold accounts, "XB."

15:07:57

15 THE COURT REPORTER: "XB" for sold accounts?

15:08:03

16 THE WITNESS: Yes.

15:08:03

17 BY MS. ROTKIS:

15:08:03

18 Q. No. It says "No longer input the compliance
19 condition XB," I think is what it says.

15:08:03

20 A. Yes. "No longer input the compliance condition
21 code XB."

15:08:19

22 Q. But it doesn't say what compliance condition code
23 you're supposed to put in there?

15:08:20

24 MR. SEARS: I'm sorry.

15:08:31

25 Is that a question?

15:08:31

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1	BY MS. ROTKIS:	15:08:32
2	Q. Okay. Does it say what compliance condition code	15:08:33
3	you're supposed to put in there for sold accounts?	
4	A. It does not.	15:08:57
5	THE COURT REPORTER: She answered.	15:08:57
6	MS. ROTKIS: What was that?	15:08:57
7	THE COURT REPORTER: I said she answered. Did you	15:08:57
8	not -- did you hear it?	
9	MS. ROTKIS: No, I didn't hear it. No.	15:08:57
10	THE COURT REPORTER: She said, "It does not."	15:09:46
11	BY MS. ROTKIS:	15:09:47
12	Q. Okay. Then going to tab C and it's Bates	15:09:47
13	No. 4- -- I think it might be 490 -- it's 493, but it says	
14	page 10 on the document itself, but Bates No. 493.	
15	I'm sorry. And if you would go to the previous	15:10:12
16	page, 492.	
17	Okay. So 492 has that subheading "Fraud ACDV."	15:10:23
18	Would you agree that this is the same section of this	
19	version, October 8th, 2015, of the prior two? I'm sorry.	
20	This is the new version of that section, the fraud	15:10:42
21	ACDV section, dated October 8th, 2015?	
22	A. I believe so.	15:10:57
23	Q. And have you seen this document before?	15:11:00
24	A. I don't recall.	15:11:06
25	Q. It's dated October 8th, 2015. Were you still	15:11:11

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1 doing ACDVs at that time?

15:11:11

2 A. I was.

15:11:17

3 Q. Okay. And what does it say to do if there is a --
4 a fraud dispute and the account still resides in FDR?

15:11:19

5 A. Update client condition -- compliance condition
6 code to "XB" in e-OSCAR. If the -- if the account still
7 resides in FDR, update the compliant -- compliance condition
8 code on FDR-NMCB screen also to reflect XB.

15:12:01

9 Q. Okay. So then I asked you to go to the next page.
10 And would you agree that this -- that this document governs
11 how ACDV operators at Credit One Bank should be performing
12 these investigations?

15:12:21

13 MR. SEARS: Objection as to form, calls for, you
14 know, ultimate issue.

15:12:44

15 MS. YENOVKIAN: You can still answer if you know.

15:12:55

16 BY MS. ROTKIS:

15:12:57

17 Q. You may answer.

15:12:57

18 A. Without reviewing further -- I'd have to review
19 the manual and guidelines.

15:13:04

20 Q. Okay. Fair enough.

15:13:22

21 The -- page 10 talks about sold accounts. If you
22 go down to the subheading that says "sold accounts," what
23 does it now instruct the compliance condition code to be if
24 the account is not -- if the account still resides in FDR
25 for a sold account?

15:13:28

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1	A.	If the account is a sold account, I don't believe	15:14:04
2		that the account is still going to reside in FDR.	
3	Q.	Okay.	15:14:12
4	A.	If it's a sold --	15:14:16
5	Q.	The compliance condition code -- go ahead.	15:14:17
6	A.	If the account is sold, we verify and respond to	15:14:22
7		the ACDV as required, update the compliance condition code	
8		to "XH" in e-OSCAR, and if the account still resides in --	
9		in FDR, update the compliance condition code in FDR-NMCB	
10		screen also to reflect XH.	
11	Q.	Okay. And so if you entered "XH" in the	15:14:45
12		compliance condition code, you were doing exactly what you	
13		were supposed to do, according to this manual, correct?	
14	A.	I believe so.	15:15:00
15		MS. ROTKIS: Okay. I have nothing further.	15:15:03
16		MR. SEARS: I don't have -- I'm sorry?	15:15:20
17		MS. YENOVKIAN: Do you want to take a five-minute	15:15:28
18		break? Five-minute break?	
19		MR. SEARS: Okay. We're going to take a little	15:15:31
20		break.	
21		THE VIDEOGRAPHER: The time is 3:15 p.m.	15:15:34
22		Off record.	
23		MS. ROTKIS: Wait a minute. What's going on?	15:15:40
24		MS. YENOVKIAN: Five-minute break.	15:15:40
25		MS. ROTKIS: What's happening?	15:15:40

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1	MS. YENOVKIAN: Five-minute break.	15:15:40
2	MS. ROTKIS: Oh, okay. Fine.	15:15:40
3	(Short recess taken.)	15:15:41
4	THE VIDEOGRAPHER: The time is 3:21 p.m. We're	15:20:53
5	back on record.	
6	MR. SEARS: I have no questions.	15:20:59
7	All right. You -- we'll -- we'll read.	15:21:01
8	THE VIDEOGRAPHER: Counsel on the line, do you --	15:21:06
9	MS. ROTKIS: Nothing further. Thank you.	15:21:08
10	THE VIDEOGRAPHER: Thank you.	15:21:10
11	The time is 3:21 p.m. This is the end of Disc 1.	15:21:10
12	Off record.	
13	(The deposition was concluded at	15:21:16
14	3:21 p.m.)	
15		
16		
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